

## Message Text

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11

ACTION XMB-07

INFO OCT-01 EA-11 ISO-00 AID-20 CIAE-00 COME-00 EB-11

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 OPIC-12 SPC-03

CIEP-02 LAB-06 SIL-01 OMB-01 DRC-01 /089 W

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R 260906Z OCT 73

FM AMEMBASSY TAIPEI

TO SECSTATE WASHDC 0083

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E.O. 11652: N/A

TAGS: ENRG, TW

SUBJECT: OIL IMPORT PRICE HIKE FORCES TAIPOWER TO CONVERT TO COAL

PASS EXIM

1. TAIPOWER CURRENTLY WORKING UP PLANS TO SWITCH WHEREEVER POSSIBLE OIL FIRED THERMAL STATIONS TO COAL. TAIPOWER ESTIMATES ONE-THIRD OF CURRENT OIL FIRED PLANTS CAN BE CONVERTED. THIS MOVE PROMPTED BY HUGE INCREASE IN COST OF IMPORTED OIL. ACCORDING TO MOST RECENT INFORMATION AVAILABLE TO COMPANY, COST OF IMPORTED OIL WILL RISE FROM US\$3.4 PER BARREL TO US\$4.7 OR US\$5/BARREL. COMBINED WITH RECENT INCREASE IN TRANSPORTATION COSTS, TAIPOWER IS FACED WITH 60 TO 80 PERCENT INCREASE IN OIL COSTS.

2. TAIPOWER SENIOR PRODUCTION OFFICIAL ADMITTED COMPANY WILL HAVE NO CHOICE BUT TO REQUEST A RATE INCREASE. MOST OF INCREASE WOULD BE PASSED ON TO PRIVATE AS OPPOSED TO INDUSTRIAL SECTOR. ALTHOUGH NEED FOR RATE HIKE IS APPARENT, TAIPOWER OFFICIALS LOATHE TO RAISE ISSUE IN VIEW OF GOVERNMENT'S CURRENT CAMPAIGN TO KEEP PRICES DOWN.

3. TAIPOWER CONVINCED IT MUST PUSH FORWARD RAPIDLY

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WITH NUCLEAR POWER DEVELOPMENT AS ONLY ONG-TERM

SOLUTION TO INCREASING ENERGY COSTS. COMPANY CON-  
SIDERING MOVING UP TENTATIVE COMPLETION DATES OF  
NUCLEAR POWER PLANTS FIVE AND SIX BY ONE YEAR.

4. MORE DETAILED REPORTING TO FOLLOW AS INFORMATION  
BECOMES AVAILABLE.  
MCCONAUGHY

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 26 OCT 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973TAIPEI06510  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** TAIPEI  
**Handling Restrictions:** n/a  
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**Legacy Key:** link1973/newtext/t1973108/aaaaafjs.tel  
**Line Count:** 68  
**Locator:** TEXT ON-LINE  
**Office:** ACTION XMB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 21 NOV 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <21-Nov-2001 by kelleyw0>; APPROVED <14-Dec-2001 by golinofr>  
**Review Markings:**

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EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** OIL IMPORT PRICE HIKE FORCES TAIPOWER TO CONVERT TO COAL PASS EXIM  
**TAGS:** ENRG, TW  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005